

ASSEMBLY BILL

No. 1503

**Introduced by Assembly Members Mullin and Chan
(Coauthors: Assembly Members Berg and Laird)**

February 22, 2005

An act to add Section 42238.53 to the Education Code, relating to school finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1503, as introduced, Mullin. School finance: average daily attendance: adjustment.

Existing law requires the county superintendent of schools to determine a revenue limit for each school in the county pursuant to a prescribed formula, and requires, for purposes of that apportionment, that average daily attendance be calculated, as prescribed.

This bill would authorize a school district that reports a decline in the units of average daily attendance below number of units reported for the 2003-04 fiscal year or the fiscal year before the decline, for 2 or more consecutive fiscal years, whichever is later, to compute an adjustment to the number of units of average daily attendance, as prescribed.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 42238.53 is added to the Education
- 2 Code, to read:
- 3 42238.53. For the 2005-06 fiscal year and each fiscal year
- 4 thereafter, a school district that reports a decline in units of

1 average daily attendance below the number of units reported for
2 the 2003-04 fiscal year, or the fiscal year before the decline, for
3 two or more consecutive fiscal years, whichever is later, may
4 compute an adjustment to the number of units of average daily
5 attendance pursuant to this section and the computation pursuant
6 to Section 42238.5, as follows:

7 (a) The fiscal year preceding the first fiscal year of decline in
8 the number of units of average daily attendance shall be deemed
9 the base attendance year.

10 (b) (1) In the second consecutive fiscal year and all
11 succeeding fiscal years in which the number of units of average
12 daily attendance is less than the number of units of average daily
13 attendance in the base attendance year, the Superintendent shall
14 determine the difference between the number of units of average
15 daily attendance in the current fiscal year and the number of units
16 of average daily attendance in the base attendance year. This
17 difference shall be multiplied by 0.6 and the resultant product
18 subtracted from the number of units of average daily attendance
19 computed pursuant to Section 42238.5 in the base attendance
20 year.

21 (2) If a school district that reports a decline in the number of
22 units of average daily attendance for two or more consecutive
23 fiscal years, reports an increase in the number of units of average
24 daily attendance in a fiscal year, the amount of that increase in
25 the number of units of average daily attendance in that first fiscal
26 year and in each succeeding fiscal year an increase is reported
27 shall be multiplied by 0.6 percent and the resultant product
28 subtracted from the amount added pursuant to paragraph (1).

29 (c) The average daily attendance for the base attendance year
30 shall be adjusted for any increase or decrease in the average daily
31 attendance due to any subsequent reorganization or transfer of
32 territory, or for any change in average daily attendance of pupils
33 who are concurrently enrolled in adult programs and classes
34 pursuant to Section 52616.17.

35 (d) The average daily attendance of pupils in charter schools
36 initially chartered by the school district on and after January 1,
37 2006, shall be included in the average daily attendance of the
38 school district for the purpose of this section. The average daily
39 attendance of charter schools that were initially chartered by a

1 school district prior to January 1, 2006, is excluded from the
2 application of this section.

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